85-0645/

July, 1984

The Honourable Andrew S. Brandt,
Minister of the Environment

Dear Mr. Brandt,
I have the honour of
submitting the third Annual
Report of the Ontario Waste
Management Corporation
for the fiscal year ended
March 31, 1984.

Respectfully submitted,

D.A. Chant
Chairman and President

Corporate profile

The Ontario Waste Management Corporation (OWMC) was formally created by Bill 90, which received Third Reading in the Ontario Legislature on July 2, 1981. OWMC's primary responsibility is to design, construct and operate a province-wide system for the treatment and disposal of liquid industrial waste and hazardous waste, and to develop a long-term program to assist in the reduction and recycling of such wastes.

Objects of the Corporation

From Section 3 of The Ontario Waste Management Corporation Act, 1981:

"**A.** to research, develop, establish, operate and maintain facilities for the transmission, reception, collection, examination, storage, treatment and disposal of wastes including sewage; and

B. to perform such other duties as may be assigned to it under this or any other Act."

OWMC Board of Directors

Dr. [illegible], Chairman and President.

Zoologist, former Vice-President and Provost of the University of Toronto, and former chairman of the Canadian Environmental Advisory Council.

V. Harvey Pells, Vice-Chairman.

Chief Engineer, Specialized Engineering, Stelco Inc., Hamilton

[illegible] Group Vice-President, Rubber and Plastics, Polysar Limited, Sarnia.

[illegible] Mayor, Town of Haldimand, Regional Municipality of Haldimand-Norfolk.

[illegible] Chairman of the Board, Alta-Land Limited, Peterborough, Ontario.

[illegible] Professor, School of Agricultural Economics and Extension of Edmonton, University School of Rural Planning and Development, University of Guelph

[illegible] Former and former President and Director of the Canada Federation of Agriculture for Manitoba and [illegible]

Highlights

In May 1983 OWMC issued a Phase 3 Interim Report defining 19 broad candidate areas within the Golden Horseshoe region where there was a high likelihood of finding safe and suitable sites for OWMC's industrial waste treatment and disposal facilities.

In March 1984 a final Phase 3 Report was issued announcing eight possible sites within these candidate areas for the facilities. Also detailed were the size and type of facilities OWMC is considering to treat wastes and dispose of treated residues.

During 1983/84 OWMC officials held more than 300 meetings with groups, individuals and organizations, including three weekend seminars, six Information Days, four site selection workshops, and a number of meetings with municipal, provincial and federal agencies.

Professional staff were hired in the areas of waste reduction and recycling, facility operations, finance and administration, hearings preparations, environmental planning and communications. Development of long term corporate business and marketing plans continued. Detailed preparations began for OWMC's proposals to the Hearing Panel on Industrial Waste Management. Over the year, the Board of Directors held eight meetings.

Following an extensive selection process, Monenco Limited, one of Canada's largest engineering firms, was selected to provide consulting services in the area of engineering, procurement and construction management (EPCM) for the required treatment and disposal facilities.

A review of the barriers to waste reduction, recycling, exchange and recovery was undertaken. This review concluded that economic, informational, regulatory and technical barriers exist and that OWMC can play an important role in encouraging more industrial waste reduction and recycling. A Manager of Waste Reduction was recruited and hired.

A marketing survey of 500 Ontario industries provided more detailed information on the type and quantity of industrial and hazardous wastes currently being generated in the province that require special treatment. A further survey of an additional 500 industries was undertaken.

Chairman's message

We have now completed three full years of activity at the Ontario Waste Management Corporation. Over this period of time, we have put together an organization and begun implementing a Facilities Development Plan that has brought us very close to the selection of sites and the design of facilities for the treatment and disposal of industrial waste in Ontario.

In last year's Annual Report, I predicted that 1983/84 would not be an easy year, as our site selection program entered its most controversial phase and our facilities planning began to focus on the issues of size and capacity.

This prediction proved to be correct. Over the past twelve months, we have completed two more phases of our site selection process, by narrowing the search for sites to eight possible locations and by gathering further details on the nature and quantity of wastes to be treated and the engineering features of the treatment and disposal facilities we propose to build.

This has resulted in an increasing number of predictable yet difficult challenges. As a result of our on-going efforts to consult widely with the public, a large number of people are now directly involved in and potentially affected by the process. They want to know exactly what type of facilities we plan to build, how big they will be, how effectively they will treat hazardous waste, and what impacts they might have on the surrounding community.

Responding to these concerns has not and will not be an easy task. However, our commitment to consult with the public at each major step of our process, and the development of a very detailed proposal for the Hearing Panel on Industrial Waste Management, demands that we do just that; sit down with sometimes angry and concerned citizens, and explain to them exactly what these facilities will be like, why it is that we are looking at their community as a possible location, and how we intend to avoid major impacts.

The staff of OWMC and I have found this to be a very demanding and challenging task over the past year. I recall one conversation I had with an individual. Once she had heard more about the type of facilities we are planning to build, and the reasons why they are so badly needed, she said to me: "That makes sense. Let's get on with it, and do so quickly to solve the problem we are all facing."

We intend to do precisely that. But we also intend to do it right—with facilities that are properly sized, safely located, and the result of a thorough and open process. We have now issued four major planning reports, documenting each step we have completed in the Facilities Development Process. To date, we have evaluated more than 200 environmental, planning, land use, agricultural, socioeconomic factors—to name just a few—that have formed the basis of our site selection decisions.

This past year has also involved the development of Corporation programs to assist in the reduction, reuse and recycling of industrial wastes in Ontario. Three major achievements were the completion of an assessment of the potential barriers to waste reduction, the launching of a joint project with the Ontario Research Foundation called the Ontario Waste Exchange, and the recruitment and hiring of a Manager of Waste Reduction.

All of these efforts—the site selection program, our public consultation efforts, the design of properly sized, world-class treatment and disposal facilities and the encouragement of more waste reduction and reuse efforts in the Province—stem from a basic, Corporation goal: the development of a practical industrial waste management system for Ontario. I believe we are now well along the way towards achieving that goal.

D.A. Chant

D.A. Chant
Chairman and President

As a result of our ongoing efforts to consult widely with the public, a large number of people are now directly involved in and potentially affected by the process.

Review of Operations

Facilities Development Process

Before hazardous waste treatment and disposal facilities can be built, OWMC must present its detailed proposals to the Hearing Panel on Industrial Waste Management, which has been established by the Ontario Government to conduct formal public hearings on these proposals. The Hearing Panel will then submit a report to the Ontario Cabinet on the safety and suitability of the Corporation's proposals.

In 1981, following the rejection by OWMC of a proposed site near South Cayuga, in the Regional Municipality of Haldimand-Norfolk, a five-phase Facilities Development process was designed to select a new site and to prepare these proposals (see Figure 1).

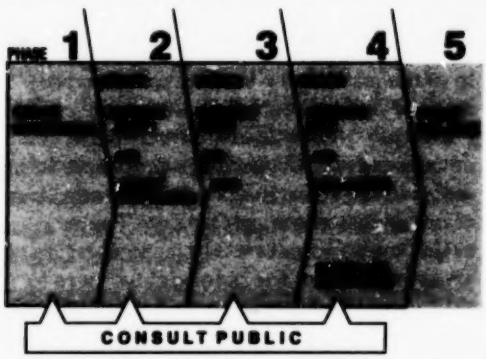


Figure 1. Facilities Development Process

Two important steps in this process were completed in 1983/84. In May 1983, the Phase 3 Interim Report was completed, which detailed the selection of 19 candidate areas within the Golden Horseshoe region. A 20th candidate area was added to this list in January 1984 following further analysis of publicly held and industrially zoned lands north of Lake Ontario. (See Figure 2)

These 20 areas then became the subjects of an intensive data gathering exercise, as OWMC assembled the information necessary to identify specific potential sites for its planned facilities. More than 200 environmental, land use, agricultural, socio-economic and transportation factors were considered in this step.

Three goals were established for the selection of these sites. In order of importance, they were to:

1. Minimize risk to human health;
2. Minimize environmental impacts;
3. Minimize financial costs to OWMC and the people of Ontario.

In examining potential sites, OWMC identified four, site specific criteria:

1. the need for deep, consistent clay soils to provide a second level of environmental protection in addition to the many monitoring and engineering features that must be constructed at any site;
2. the need to minimize impacts on agricultural resources, recognizing that a high proportion of the 20 candidate areas were in rural areas with class 1 and 2 agricultural capability;

3. the need to avoid built up areas and sites near community facilities; and
4. the desirability of using publicly held, crown-owned and/or industrially designated lands, if at all possible.

When all of the assembled data were plotted on maps of the candidate areas, 152 possible site locations were identified. These were then reduced in size and number using additional, more site-specific considerations, to the eight candidate sites announced March 15th, 1984 in the Phase 3 Report.

These sites are located in the Cities of Mississauga and Niagara Falls, the Town of Milton, and the Township of West Lincoln. (See Figure 3)

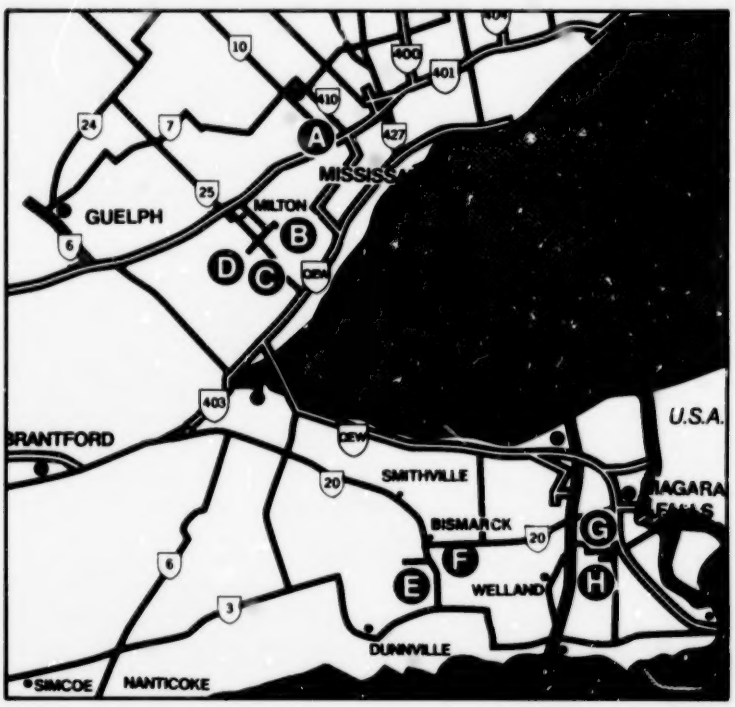
In Phase 4 of the Facilities Development Process, the comparative advantages and disadvantages of the candidate sites will be analysed and assessed before a decision is made on a preferred site or sites. This decision will be announced in a Phase 4 Interim Report.

Following the identification of a preferred site, there will be a period of further on-the-land site-specific testing before OWMC makes its final siting recommendation to the Hearing Panel on Industrial Waste Management.

In Phase 4 the comparative advantages and disadvantages of the candidate sites will be analysed and assessed before a decision is made on a preferred site or sites.

Figure 2.
Candidate Areas

Figure 3.
Candidate Sites



Facility Design & Project Engineering

OWMC staff and consultants inspecting a rotary kiln incineration plant in West Germany.

OWMC is committed to using only the best proven technologies in its facilities, but has also explored many new and developing waste treatment methods in order to obtain a complete knowledge of engineering trends and techniques.

The Project Engineering group has continued its review of existing waste treatment facilities and technologies throughout the world. OWMC is committed to using only the best proven technologies in its facilities, but also has explored many new and developing waste treatment methods, to obtain a complete knowledge of engineering trends and techniques.

In late winter 1984, a small team of OWMC staff and consultants visited several rotary kiln incineration plants in Europe as part of the selection process for a high temperature incineration technology consultant.

An important development was the selection of Monenco Limited as OWMC's consultants in the area of engineering, procurement and construction management (EPCM). Monenco Limited is a public company, 97% Canadian owned, with offices across Canada and abroad. Its main Ontario office is in St. Catharines. The firm has considerable experience in designing and building major industrial plants. This experience together with a strong project team were key reasons in their selection as OWMC's EPCM consultants. Monenco Limited's appointment allows design work to proceed on various aspects of OWMC's planned facilities.

Waste Reduction

In discussions with citizens groups, environmental and industrial organizations and the general public, the theme of waste reduction has been emphasized strongly and consistently. Many have stated that OWMC should be taking a more active role to foster reduction of the amount of waste generated by industries in Ontario, and thereby reduce the amount of material requiring treatment.

During the past year, OWMC has taken three initiatives in this area. The first initiative was a review of existing barriers and disincentives to waste reduction. This review looked at ways of overcoming these technical and economic barriers and at the roles OWMC might assume to encourage waste reduction. One key role identified in the study for the Corporation is to act as a technical information resource to industries interested in reducing their waste output.

A second initiative was the establishment of the Ontario Waste Exchange, a joint project with the Ontario Research Foundation (ORF). The Exchange will be managed by ORF under contract to OWMC and actively will pursue waste exchange opportunities that have been identified by the Canadian Waste Materials Exchange (CWME), a program already operated by ORF. Since its inception, over 3,700 companies have participated in the CWME program, resulting in the exchange of approximately 200,000 tonnes of industrial waste with an estimated value of several million dollars.

Finally, OWMC hired a Manager of Waste Reduction in 1984, to develop and manage a waste reduction and recycling program that will act primarily as a catalyst to existing efforts in the waste reduction and recycling marketplace.

Many have stated that OWMC should be taking a more active role to foster reduction of the amount of waste generated by industries in Ontario.

In April Mr Ken Bradley, Manager of Waste Reduction, addressed the North American Recycling '84 conference in Toronto.

Communications

In Phase 3 of the Facilities Development Process, OWMC continued to seek the views of the public on its site selection program and other industrial waste management issues. At the same time efforts continued to keep members of the public and interest groups fully informed of the Corporation's activities.

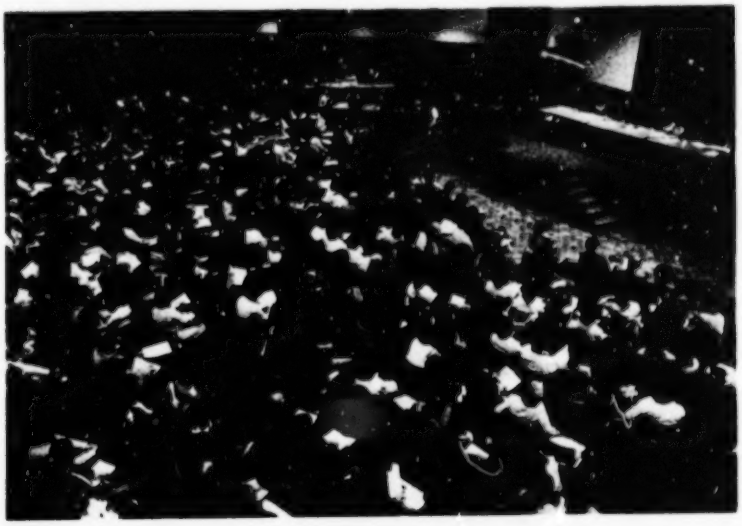
During 1983/84 the Public Consultation Program resulted in meetings being held with 310 organizations and included:

- a series of three weekend seminars in June and July on the site selection program and waste management issues attended by a broad cross-section of candidate area residents;
- Four site selection workshops held in October and November 1983 and January 1984 with community representatives;
- A series of six Information Days held throughout the candidate areas at which members of the public were able to discuss their concerns with OWMC staff, see visual displays and a video presentation on industrial waste management, pick up copies of OWMC reports and literature and present prepared briefs to the Corporation;
- Meetings with 19 municipal and regional councils in the candidate areas and;
- Many other meetings with individuals, organizations and municipal, provincial and federal government ministries and agencies.

In addition to the Public Consultation Program, OWMC Communications staff completed the development of a public information brochure on hazardous waste management, published a quarterly newsletter and prepared a 15 minute video presentation on its planned facilities.

A major education project was also launched with the Federation of Ontario Naturalists to create a teaching kit on hazardous wastes for elementary and high school grades in Ontario. The project will provide teachers with information, lesson plans and teaching aids on hazardous wastes.

In 1983/84 OWMC met with the public on more than 300 occasions.



Marketing & Sales

Market research and industry consultation were the two main streams of activity during 1983/84.

A major market study included a detailed survey of 500 Ontario companies, designed to provide additional information on the types and quantities of wastes OWMC can expect to treat at its planned facilities. This information is key to the selection of treatment processes and the sizing of the facilities.

Contacts with waste generators and with the waste treatment, recycling and haulage industries were developed further throughout the year. Discussions focussed on the difficulties companies are encountering at present and the role OWMC might play in resolving some of these technical problems.

Work also continued on developing a long term marketing plan which will include marketing sales and pricing policies for OWMC as well as technical and information services for industries producing industrial wastes.

Bill Lightowlers, Head, Marketing and Sales.

Financial statements

Ontario Waste Management Corporation

Statement of Financial Position

as at March 31, 1984

Assets	**1984**	1983 (note 6)
	$'000	$'000
Current		
Cash	**134**	262
Short term deposits	**–**	100
Due from Province of Ontario	**1,007**	500
Accounts receivable and prepaid expenses (note 3)	**37**	14
	1,178	876
Loan to Employee (note 3)	**35**	39
Fixed Assets (note 4)	**351**	291
	1,564	1,206

Liabilities and retained revenue		
Current		
Accounts payable and accrued liabilities	**1,297**	905
Retained Revenue	**267**	301
	1,564	1,206

See accompanying notes to financial statements.

On behalf of the Corporation

Director

Director

Statement of Revenue and Expenditure and Retained Revenue

for the year ended March 31, 1984

	1984	1983 (note 6)
	$'000	$'000
Revenue		
Province of Ontario Transfer payments	7,157	4,900
Interest	20	18
	7,177	4,918
Expenditure		
Salaries and benefits	1,354	698
Technical and engineering consulting services	4,096	2,524
Occupancy	445	223
Publications, audio/visual aids and public notices	438	288
Management consulting services	121	300
Office supplies and services	194	135
Travel	116	65
Legal fees	112	65
Staff recruitment, relocation and training	104	65
Depreciation	81	38
Communication consulting services	67	270
Workshops and seminars	43	42
Directors' fees and expenses	40	115
	7,211	4,828
Excess (deficiency) of revenue over expenditure	(34)	90
Retained Revenue, beginning of year	301	211
Retained Revenue, end of year	267	301

See accompanying notes to financial statements.

Statement of Changes in Financial Position

for the year ended March 31, 1984

	1984	1983 (note 6)
	$'000	$'000
Working Capital Derived From		
Excess (deficiency) of revenue over expenditure	(34)	90
Add items not requiring an outlay of working capital:		
Depreciation	81	38
Forgiven portion of employee loan	–	1
	47	129
Repayment of employee loan	4	5
	51	134
Working Capital Applied To		
Fixed asset additions	141	306
Decrease in working capital	(90)	(172)
Working capital (deficiency) at beginning of year	(29)	143
Working capital (deficiency) at end of year	(119)	(29)

See accompanying notes to financial statements.

Auditor's report

To the Ontario Waste Management Corporation and to the Minister of the Environment.

I have examined the statement of financial position of the Ontario Waste Management Corporation as at March 31, 1984 and the statements of revenue and expenditure and retained revenue and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at March 31, 1984 and the results of its operations and changes in financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

A report on the audit has been made to the Corporation and to the Minister of the Environment, in accordance with section 19 of The Ontario Waste Management Corporation Act, 1981.

D.F. Archer, F.C.A.,
Provincial Auditor.

Toronto, Ontario,
May 18, 1984.

Notes to Financial Statements

March 31, 1984

1. General

The Ontario Waste Management Corp. was incorporated under The Business Corporations Act on January 2, 1981. The Corp. was active up to July 3, 1981 at which time all activities and programs of the Corp. were assumed by a new entity, the Ontario Waste Management Corporation established without share capital under The Ontario Waste Management Corporation Act, 1981.

The assets and liabilities of the Ontario Waste Management Corp. became the assets and liabilities of the Ontario Waste Management Corporation on September 30, 1983 as proclaimed by the Lieutenant Governor in Council. The formal dissolution of the Ontario Waste Management Corp. is proceeding with the preparation and filing of Articles of Dissolution.

2. Significant accounting policy

Depreciation for furniture and equipment is computed on the declining balance basis at rates designed to amortize the cost of these assets over their estimated useful lives. Leasehold improvements are amortized on a straight-line basis over the term of the lease.

3. Related party transaction

In October 1981, an interest free housing loan of $50,000 was made to an employee of the Corporation. The balance outstanding as at March 31, 1984 was $40,000. The current repayment amount of $5,000 has been included in accounts receivable.

4. Fixed assets

	Cost	1984 Accumulated Depreciation	Net Book Value	1983 Net Book Value	Depreciation Rate
	$'000	$'000	$'000	$'000	
Furniture	175	43	132	95	20%
Equipment	191	51	140	112	20-30%
Leasehold improvements	108	29	79	84	Term of Lease
	474	**123**	**351**	**291**	

5. Commitment

The Corporation entered into an agreement effective October 1982 to lease office space for 5 years at a rate of $359,600 per annum.

6. Comparative figures

Given the transfer of the assets and liabilities of the Ontario Waste Management Corp. as discussed in note 1, prior year's comparative figures have been restated to include the combined accounts of the Corporation and the Corp. In addition, certain comparative figures have been reclassified where necessary to conform with 1984 presentation.

POOR

QUALITY

ORIGINAL